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FEDERAL MARITIME COMMISSION

Original Title Page

IDX VESSEL SHARING AGREEMENT

A Cooperative Working Agreement

FMC Agreement No. 011956

Expiration Date: None

This Agreement has not been published previously.



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ARTICLE 1: NAME OF THE AGREEMENT

The name of this agreement is the IDX Vessel Sharing Agreement (the "Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of the Agreement is to authorise the parties to establish a co-operative arrangement whereby vessels will be provided by the parties and space will be chartered between them in order to facilitate efficient service in the Trade (as hereinafter defined).

ARTICLE 3: PARTIES TO THE AGREEMENT

The parties to the Agreement (hereinafter referred to individually as a "party" and collectively as the "parties") are as follows:

1. ZIM Integrated Shipping Services, Ltd. ("ZIM")

Address: 9 Andrei Sakharov Street  
"Matam" – Scientific Industries Center  
P.O.B. 1723  
Haifa, 31016  
Israel

2. Shipping Corporation of India Ltd. ("SCI")

Address: Shipping House  
245 Madame Cama Road  
Mumbai 400 021  
India

3. Emirates Shipping Line FZE ("ESL")

Address: c/o Emirate Shipping (Hong Kong) Limited  
21st Floor, Convention Plaza  
1 Harbour Road, Wan Chai  
Hong Kong

4. MacAndrews & Company Limited ("MAC")

Address: 1 Warwick Row,  
London, SW1E 5ER  
United Kingdom

ARTICLE 4: GEOGRAPHIC SCOPE

The geographic scope of this Agreement shall cover the trade between ports on the Atlantic Coast of the United States (Eastport, Maine to Key West, Florida) and U.S. inland and coastal points served via such ports, on the one hand, and (i) ports and points in Italy and Spain; and (ii) ports and points in the Indian Subcontinent (India, Pakistan, Bangladesh, Sri Lanka) on the other hand. All of the foregoing is hereinafter referred to as the "Trade."

It is understood that each of the Parties may utilize space available to it under this Agreement for the carriage of cargo originating in and/or destined to countries outside the Trade.

ARTICLE 5: AGREEMENT AUTHORITY

5.1 Vessels. The parties are authorized to discuss and agree upon the number, size and characteristics of vessels to be deployed hereunder and the substitution of vessels as may be deemed necessary or appropriate, and to operate a service of up to ten (10) vessels with a nominal capacity of up to 3,500 TEUs each. Initially, the parties will operate a weekly service consisting of eight (8) vessels, each with a practical capacity ranging between 2,400 to 2,700 TEUs at 12 gwt average per TEU (the "Agreed Declared Capacity"). For the avoidance of doubt, any shortfall (below 2400 TEUs at 12 gwt avg.) or excess (over 2700 TEUs at gwt avg.) of capacity shall be for the account of the party providing the vessel. Zim shall provide three (3) vessels, SCI and ESL shall provide two (2) vessels each and MAC shall

provide one (1) vessel. Each party shall operate its own vessels and pay for the fixed costs of those vessels such as, but not limited to, charter hire, port charges, canal charges, bunkers and insurance. In the event the initial number of vessels deployed hereinabove is increased, the parties shall agree on the provision of the additional vessels.

5.2 Vessel Schedule/Port Rotation. The parties are authorized to discuss and agree on ports to be called and port rotation and to change any port rotation so agreed upon by unanimous consent of the parties. The port rotation may be changed without a further amendment to this agreement. The parties are authorized to discuss and agree on the phasing-in/phasing-out of vessels for maintenance, whether programmed or unprogrammed. The parties also are authorized to discuss and agree on criteria to measure adherence to any agreed-upon schedule and remedial actions/consequences in the event of non-adherence.

5.3 Slot Allocation. Each party shall have a round voyage allocation on the basis of its share in the total Agreed Declared Capacity of the fleet multiplied by the Agreed Declared Capacity of each vessel. In the event that a vessel is unable to lift agreed slots/deadweight because of known port restrictions that will be unanimously agreed by the parties, the total on board capacity/deadweight allocation is to be shared in proportion to each party's allocated share of space on each vessel. Subject to the prior approval of the party operating the vessel, space in excess of the foregoing allocations of each party may be made available to the other parties by the party operating the vessel, upon request and on such terms and conditions as the parties agree from time to time. The parties are authorized to buy.

and sell slots on structural basis from within their respective allocations from/to one another on such terms and conditions as the parties may unanimously agree from time to time.

5.4 Use of Space. Subject to applicable legal requirements, each party shall be entitled to use its allocation of space without any geographical restrictions regarding the origin or destination of the cargo, subject to such operational or legal restrictions as may be agreed from time to time.

5.5 Third Parties. No party may sub-charter space allocated to it hereunder to unaffiliated third-party ocean common carriers without the prior consent of the other parties, which consent shall not be unreasonably withheld.

5.6 Terminals. The Parties are authorized to discuss and agree on the joint and/or individual negotiation of appropriate contracts with terminal operators and stevedores, and to reach agreement on other issues relating to the loading and/or discharge of cargo, such as but not restricted to overtime and stand-by-time.

5.7 Operational and Administrative Matters. The parties are authorized to discuss, develop, and agree upon operating procedures covering any and all matters within the scope of 46 C.F.R. §535.408(b), such as charter party terms, cargo claims and other liabilities, insurance, force majeure, indemnifications, general average, vessel schedules and itineraries, joint working procedures, financial arrangements, non-payment policies, standards for containers and for the acceptance of breakbulk, oversized and dangerous cargo, security standards and procedures, compliance with

government regulations and requirements, and other operational and/or administrative issues to implement the terms hereof.

ARTICLE 6: ADMINISTRATION AND DELEGATION OF AUTHORITY

6.1 This Agreement shall be administered and implemented by meetings, decisions, memoranda and communications among the parties.

6.2 The following individuals shall have the authority to file this Agreement and any modifications thereto with the Federal Maritime Commission on behalf of a party, as well as the authority to delegate same:

- (a) Any authorised officer of each of the parties; and
- (b) Legal counsel for each of the parties.

ARTICLE 7: EFFECTIVENESS, DURATION AND TERMINATION

7.1 This Agreement will take effect when effective in accordance with the provisions of the Shipping Act of 1984, as amended (the "Effective Date"), and will be implemented as from the date of the first vessel in the first port in the westbound direction (the "Commencement Date").

7.2 The Agreement will continue indefinitely but any party may withdraw from this Agreement by giving 6 months' prior written notice of withdrawal; provided, however, that such notice may not be given prior to the expiration of the first 18 months after the Effective Date and that such termination shall not be effective until expiration of 24 months from the Effective Date.

7.3 Termination of this Agreement shall not affect any liability or obligations accrued hereunder prior to termination.

7.4 This Agreement may be terminated due to material breach of the obligations by one or several parties as determined unanimously by the non-breaching Parties in good faith and in accordance with such criteria for determining a material breach as may be unanimously agreed by the parties from time to time.

7.5 This Agreement may be terminated at any time by the unanimous written consent of the Parties.

7.6 Notwithstanding the aforementioned, the Agreement (or a party's participation in this Agreement) will terminate upon completion of a full roundtrip cycle (WB+EB), meaning that all vessels of the concerned cycle departing from the first port of loading in the westbound direction after the date of termination will sail under the terms of this Agreement, unless unanimously otherwise agreed by the parties.

ARTICLE 8: VOTING

All decisions hereunder shall be made by unanimous agreement of the parties.

ARTICLE 9: ASSIGNMENT

No party shall assign its rights or delegate its duties under this Agreement to any other person or entity without the prior written consent of the other parties.

ARTICLE 10: LAW AND ARBITRATION

10.1 The interpretation, construction and enforcement of this Agreement, and all rights and obligations between the parties under this Agreement shall be governed by English Law, but always subject to the application of the U.S. Shipping Act of 1984 as amended by the Ocean Shipping Reform Act of 1998 and any other U.S. regulatory law.

10.2 All disputes or differences arising under this Agreement which cannot be amicably resolved shall be referred to arbitration in England in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof and subject to the London Maritime Arbitrators Association Rules in force.

Notwithstanding the generality of this Article, where the amount of the claim is less than US\$300,000, the Parties agree that the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure in use at the time of the dispute or difference. The Parties further agree that where the amount of the claim is US\$300,000 or more, the arbitration shall be conducted under LMAA Rules (2002) or any such later terms as may be in use at the time of the dispute or difference. For the purpose of this Article, a "claim" shall consist of all claims in respect of one occurrence or accident or series of occurrences or accidents arising out of one event.

10.3 Notwithstanding clauses the above, the Parties agree to consider mediation at the time of appointment of an arbitrator, without prejudice to the arbitration proceedings. Such mediation shall be conducted under the LMAA Mediation Terms (2002) or any such later Terms as may be in use at the time of such dispute or difference.

ARTICLE 11:        LANGUAGE

This Agreement and all notices, communications or other writings shall be in the English language and no party shall have any obligation to translate such matter into any other language. The wording in the English language shall prevail.

ARTICLE 12:        NOTICES

Any notice or other communication which one party hereto may require to give or to make to another party under the Agreement shall, unless otherwise specifically provided herein, be written in English and sent by mail or facsimile with copy by mail, to the points of entry and addresses as designated from time to time.

ARTICLE 13:        ENFORCEABILITY

If any provisions of any clause in the Agreement, as presently stated or later amended or adopted, shall be held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then this Agreement shall be invalid only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

ARTICLE 14:        DISCLAIMER OF PARTNERSHIP

This Agreement is not intended to create a partnership, joint venture, association, or joint liability of any type under the laws of any jurisdiction.

ARTICLE 15:        COMPLIANCE WITH U.S. LAWS

The parties shall at all times comply with all applicable laws and regulations of the United States in force during the term of this Agreement and in particular the parties shall be C-TPAT certified. Any consequences resulting from non-compliance by a party with U.S. laws or regulations shall be borne in full by the non-compliant party.

IDX Vessel Sharing Agreement  
FMC Agreement No. 011956

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorised representatives as of this 26<sup>TH</sup> day of April, 2006.

ZIM INTEGRATED SHIPPING  
SERVICES, LTD.

By: Ron Podlaskowich

Name: RON PODLASKOWICH

Title: Vice President  
Regulatory Matters and Trade Development

SHIPPING CORPORATION OF  
INDIA, LTD.

By: \_\_\_\_\_

Name:

Title:

EMIRATES SHIPPING LINE  
FZE

By: \_\_\_\_\_

Name:

Title:

MACANDREWS & COMPANY  
LIMITED

By: \_\_\_\_\_

Name:

Title:

IDX Vessel Sharing Agreement  
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IN WITNESS WHEREOF, the parties have caused this Agreement to be  
executed by their duly authorised representatives as of this 26<sup>th</sup> day of April,  
2006.

ZIM INTEGRATED SHIPPING  
SERVICES, LTD.

SHIPPING CORPORATION OF  
INDIA, LTD.

By: \_\_\_\_\_

By:  \_\_\_\_\_

Name:

Name: S. S. RANGNEKAR.

Title:

Title: DIRECTOR (LINER & PASSENGERS)

EMIRATES SHIPPING LINE  
FZE

MACANDREWS & COMPANY  
LIMITED

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name:

Title:

Title:

IDX Vessel Sharing Agreement  
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IN WITNESS WHEREOF, the parties have caused this Agreement to be  
executed by their duly authorised representatives as of this 26 day of April,  
2006.

ZIM INTEGRATED SHIPPING  
SERVICES, LTD.

SHIPPING CORPORATION OF  
INDIA, LTD.

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name:

Title:

Title:

EMIRATES SHIPPING LINE  
FZE

MACANDREWS & COMPANY  
LIMITED

By: Vikas N. Khan

By: \_\_\_\_\_

Name: VIKAS N. KHAN

Name:

Title: CEO

Title:

To: Mr. Wayne Rohde  
Fax: 1-202-463-4950

Fm: Fabian Saldanha

SIGNATURE PAGE

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorised representatives as of this 25 day of April, 2006.

ZIM INTEGRATED SHIPPING  
SERVICES, LTD.

By: \_\_\_\_\_

Name:

Title:

EMIRATES SHIPPING LINE  
FZE

By: \_\_\_\_\_

Name:

Title:

SHIPPING CORPORATION OF  
INDIA, LTD.

By: \_\_\_\_\_

Name:

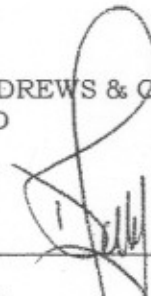
Title:

MACANDREWS & COMPANY  
LIMITED

By: \_\_\_\_\_

Name:

Title:

  
DAVID J. HALLIDAY  
CEO